

School Finance Advisory Committee Meeting

Wednesday, April 26, 2006

Subject / Name	Issue	Suggestions / Resolution
Minutes Review	No corrections were made to the minutes.	
Indirect Cost	Steven Race, ADE's CFO, informed the SFAC that the USDOE now permits the indirect costs rate for the districts and counties, so long as the combined percentage does not exceed the maximum for the program grant. For example, the district has an indirect cost rate of 3.89% and the county has an indirect cost rate of .25%, totaling 4.14%. This is permissible as long as it doesn't go above the maximum allowable indirect cost rate of the program grant. Cant pay out of M&O.	<ol style="list-style-type: none"> 1. Steven Race will send out a memo regarding how to handle district and county indirect cost rates. He will also be putting together a worksheet for the calculations. 2. Tina Norton will email her spreadsheet for calculating the district and county indirect cost rates.
FY07 SFAC Meeting Dates	Jill briefly reviewed the proposed FY07 SFAC meeting dates in the meeting handout and asked that SFAC members get back to her if they see any global problems with any of the dates. Pat Beatty asked if current SFAC members would have to reapply for membership since their two year term limit will be up at the end of FY06. Jill suggested that the SFAC extend the term limit to an indefinite period of time, so long as the member is interested in participating. George brought up the idea of bringing in some new members. Additionally, the committee agreed that if a member is not in attendance for at least 50% of the meetings within a fiscal year, a new representative will be selected for that opening.	Jill will look into selecting new representation from varying districts (e.g. small, medium, large, urban, rural, charter, etc.)
1st Day Absence Policy & Procedure	Jill included a copy of the revised 1 st Day Absence Policy in the meeting handout. The revision included the effective date of July 1, 2007 and some minor word-smithing changes. She noted that additional revisions will be posted to the School Finance website, along with future policies. It was discovered that the majority of the SFAC did not receive the policy when it was originally sent out. It was noted that the School Finance Policy Team is still looking at the excused vs. unexcused policy.	Jill will have Tina Shaw send out the 1 st Day Absence Policy again and also have it posted to the School Finance website.
Mid-Month SDDI Shutdown	The SFAC stated that the mid-month SDDI and SAIS Online shutdowns have been very beneficial for them. One member also noted that they have the best mid-month numbers from a hard stop. Teddy discussed the School Finance List Serv and how the SFAC can benefit from it.	Teddy will subscribe everyone to the School Finance Listserv and send an email with instructions.

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<p>ADE's Definition of a School</p>	<p>Pat Beatty brought up the fact that alternative non-SPED private programs upload attendance and have been told that they don't have the correct CTDS numbers. They have also been told that they don't fulfill the criteria to be considered a school. She wants to know if she should continue reporting her students as she has been. Pat also noted that they are claiming the ADM through DELREP. Karen asked, "Why not call it a program or link it to a high school?" Pat noted that then they would have to take the AIMS test and report the scores, likely making them an underperforming school. Pat also mentioned that students are un-enrolled and enrolled into a school to graduate.</p> <p>Lyle informed the SFAC that this is a hot/critical topic on the 4th floor of ADE and that they are working something out. He also noted that switching from DELREP to SAIS Online has all hit at one time. SF wants to make sure that attendance is accurately reflected. The District should make the decision on how to report these students.</p> <p>Vicki Salazar has tasked this to a few high level people to deal with this issue. George inquired when the decision will be made.</p> <p>An additional option was brought up; if you don't have a school for this you can send them to an Ombudsman program. Karen Havird believes that schools are qualified to handle these situations. Vicki Salazar and Robert Franciosi are the contacts for this discussion on the solution. LEAs need guidance on academic responsibility in concurrency situations.</p> <p>Pat also asked if they should continue to put them in as one FTE. Lyle explained that beginning in 06-07, if a Kindergarten student attends full day regardless of approval for FDK funding, report them as 1.0 FTE. Bonnie included that SF will no longer cut a child in half on the reports. The half will happen at aggregation so that the 75 matches the 45. Currently, the half occurs on the 46.</p>	<p>Jill will send out the change request document about the reporting of absences for FDK.</p>
<p>Suspensions – 10 days or less</p>	<p>Linda Munk explained that her school is still providing services for suspended kids, many of who are on probation. Lyle asked that Linda explain her LEA's situation. Linda proceeded to explain that her charter was chartered by the Juvenile Justice Center to provide services for kids on probation, etc. She stated that their kids are right next door to detention center. The charter provides the educational services, but the detention center gets funded. Currently, the system only provides for kids not in detention. Once suspended they are going to community service. Linda thinks it should be an excused absence but want to know if it will be the same as the 1st Day Absence policy.</p> <p>She also inquired about which entity the AIMS test scores are applied to.</p>	<p>Lyle suggested setting up a committee to look at questions related to Jail vs. Detention.</p> <ol style="list-style-type: none"> 1. When or if do students have to be withdrawn from an LEA? 2. District and accommodation District concurrency. 3. Is ADM limited? 4. What is the academic responsibility related to these situations? <p>Linda Munk, Tina Norton, Harold Frederick, Mary Gifford, and Bonnie Betz will be on the Jail vs. Detention Subcommittee.</p>

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SAIS	Karen Havird stated that her LEA is tired of the ADM numbers changing. She noted that she thinks the whole SAIS project has done very well, but SAIS online is another story. Karen suggested that maybe ADE should have done pilots. She added that the problem is that there is never any resolution and that is frustrating. Lyle informed the SFAC that ADE IT is being reorganized to address the problem. He explained that there are no ADE IT operations. Additionally, SAIS has been morphing and new requirements have been difficult to implement. Karen Havird explained in her own words the difference between the 40-series reports. 45-1 is the attending report by school/grade/register and includes tuition in, 46-1 is the resident report and it cuts pre-kindergarten and kindergarten in half and the 540-1 is a resident report with tuition out kids and CECs.	
Auditable ADM Subcommittee	Paul Carolan asked his subcommittee members to let him know when they are available during the month for a subcommittee meeting. He would like to have something ready for July.	
Concurrent Enrollment Subcommittee	Rose explained that there has been no time to for the Concurrent Enrollment Subcommittee to get together. The committee made a recommendation to do full funding or allow districts to refuse funding. Sandy suggested that the SFAC needs to make sure that the recommendation is on Horne's agenda for next year.	Jill will include the decision to formally approve the recommendation from concurrency subcommittee on the June agenda.
Next Meeting	Monday, June 12, 2006 1:00pm – 4:00pm	Arizona State Capitol Executive Tower Building 2nd Floor Conference Room 1700 West Washington Phoenix, AZ 85007

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Acronyms

AASBO	Arizona Association of School Business Officials	M&O	Maintenance and Operation Fund
ADE	Arizona Department of Education	NAVIT	Northern Arizona Vocation Institute of Technology
ADM	Average Daily Membership	RTC	Regional Training Center
AFR	Annual Financial Reports	SAN	Storage Area Network
AG	Auditor General	SDAR	Student Detail Activity Report
CCD	Common Core Data	SDER	School District Employee Report
CEC	Certificate of Education Convenience	SF	School Finance
CSF	Classroom Site Fund	SFAC	School Finance Advisory Committee
EVIT	East Valley Institute of Technology	SFB	School Finance Board
JTED	Joint Technological Education District	SMS	Student Management System
LEA	Local Education Agency	USFR	Uniform System of Financial Records

Action Items / Commitments	
Teddy Dumlao	<ul style="list-style-type: none"> Subscribe everyone to the School Finance Listserv and send an email with instructions.
Tina Norton	<ul style="list-style-type: none"> Email spreadsheet for calculating the district and county indirect cost rates.
Jail vs. Detention Subcommittee	<ul style="list-style-type: none"> Jail vs. Detention Subcommittee to meet.
Steven Race	<ul style="list-style-type: none"> Send out the memo he received from USDOE regarding district and county indirect cost rates.
Jill Heikkila	<ul style="list-style-type: none"> Look into selecting new representation from varying districts (e.g. small, medium, large, urban, rural, charter, etc.) Have Tina Shaw send out the 1st Day Absence Policy again. Send out the change request document about the reporting of absences for FDK. Include the decision to formally approve the recommendation from concurrency subcommittee on the June agenda. Look into inviting new representation to the SFAC for FY07.